

90 CONFIDENTIAL REPORTS

Moved Councillor Tsigros :

1. That pursuant to Section 90(2) and 90(3) of the Local Government Act 1999 the District Council of Mount Barker orders that the public be excluded from attendance at the meeting to consider in confidence matters regarding:
 - (b) information the disclosure of which:
 - (i) could reasonably be expected to confer a commercial advantage on a person with whom the Council is conducting, or proposing to conduct, business, or to prejudice the commercial position of Council; and
 - (ii) would on balance be contrary to public interest
2. That the Chief Executive Officer, General Manager Assets & Infrastructure, Acting General Manager Corporate and Community Services, Manager Engineering and Technical Services, Quarry Manager, and the Minute Secretary be permitted to remain in the room.

Seconded Cr Gamble and CARRIED.

**90.1 REPORT TITLE: CONFIDENTIAL REPORT –
MONARTO QUARRIES DRAFT BUSINESS
PLAN**
DATE OF MEETING: 6 MARCH 2006
AUTHOR: BRIAN CLANCEY
**AUTHOR'S TITLE: GENERAL MANAGER, ASSETS &
INFRASTRUCTURE**
REPRESENTORS: N/A
FILE NUMBER: 40/080/026
DEPARTMENT: ASSETS & INFRASTRUCTURE
**DEPARTMENT
MANAGER: BRIAN CLANCEY**

Cr Lyn Stokes declared an interest as Chair of the Adelaide Hills Region Waste Management Authority and remained in the meeting.

Moved Councillor Gamble that Council:

1. Note the supportive feedback from the Monarto Quarries Board on the draft Monarto Quarries Business Plan;
2. Note the three actions that the Monarto Quarries Board (at its meeting on 23 February 2006) has authorised the Quarry Manager to undertake;
3. Receive the draft Monarto Quarries Business Plan prepared by the consultants;

4. Provide the following feedback on the draft Business Plan to the consultants;
 - Generally Council is supportive of the proposals in the draft Business Plan;
 - Their performance has been very good and the manner in which they have undertaken the task is appreciated;
 - Further advice is sought on the following in relation to the 2005/06 Action Plan:
 - i. Action 1.3.2 – based on current production levels what would be the approximate expected life of the area of land subject to the proposed new Extractive Mineral Lease application; and
 - ii. Action 2.1.1 – quantification of the risks to Monarto Quarries associated with a ‘dry hire’ arrangement for the provision of plant required to manage the landfill, given the implications of this for Monarto Quarries staffing numbers and liability for plant repair.
5. Support the key goals for Monarto Quarries as proposed by the consultants in the draft Business Plan.
6. Support the recommendation of the Monarto Quarries Board to wind up the Monarto Quarries subsidiary and have Monarto Quarries become a business unit of the Council, given the advice of the consultants at the Council briefing session on 3 March 2006 that competitive neutrality requirements would be achievable under this approach;
7. Issue a direction to the Monarto Quarries Board under clause 10(2) of Schedule 2 of the Local Government Act (LGA) 1999 that it:
 - cease to be responsible for the administration of the affairs of the subsidiary as from the close of business on Wednesday 8 March 2006 except for the holding of any further meetings that might be required to finalise the draft Business Plan for submission to Council; and
 - be requested to finalise the Business Plan as soon as practicable and by no later than 30 April 2006.
8. Delegate to the Chief Executive Officer under Section 44 (2)(c) of the LGA 1999 the administration of the affairs of the subsidiary, other than the completion of the preparation of the new Business Plan, as from the close of business on Wednesday 8 March 2006. The CEO is also given authority to sub-delegate to other Council officers.
9. Authorise the Chief Executive Officer to seek the approval of the Minister for State/Local Government Relations for the winding up of the Monarto Quarries subsidiary as soon as practicable and provide such further information to the Minister as he/she may require.

10. Revoke any previous delegations made to the Monarto Quarries subsidiary under Section 44 (2)(b) of the LGA 1999 as from the close of business on Wednesday 8 March 2006, as well as any previous delegations given by the Monarto Quarries Board to the Quarry Manager, which are inconsistent with the above Council direction to the Board (recommendation 7).
11. Request that as soon as practicable, the Quarry Manager provide to the Chief Executive Officer information on any existing arrangements, commitments or proposals that are currently in place in relation to the operations of Monarto Quarries, for example the application to PIRSA for rehabilitation funding (see recommendation 15).
12. Authorise the Chief Executive Officer to provide appropriate notification to those organisations/persons with a direct interest in Monarto Quarries, such as Local Government Risk Services, the Adelaide Hills Region Waste Management Authority (AHRWMA), the three Harvey brothers and the auditors for Council/Monarto Quarries.
13. Support the immediate implementation of the Action Plan 2005/06 as proposed by the consultants in the draft Business Plan with particular emphasis on seeking to:
 - secure the new Extractive Mineral Licence over the land identified by the consultants;
 - promptly action further occupational health and safety initiatives to provide a safe working environment for staff and contractors;
 - promptly action the disposal of surplus plant;
 - call a tender for the provision of contract drilling, blasting and crushing services; and
 - increase the resources deployed to the marketing of Monarto Quarries.
14. Note the anticipated significant financial and resource implications for Council arising from this business adjustment process.
15. Note that an application has been made to PIRSA for rehabilitation funding of \$100,000 and that a decision on this funding request is expected to be made within the next seven days.
16. Initiate discussion on a without prejudice basis with the AHRWMA on possible future arrangements with Monarto Quarries that are of a different nature, including for example the possibility of Monarto Quarries being 'joined' in some way or more closely linked with the AHRWMA.
17. Investigate what, if any, notification was received prior to the change in the guidelines applicable to the provision of funding by PIRSA for the rehabilitation of quarry land that has disadvantaged Monarto

Quarries, in order to determine whether Council should make representations to the responsible Minister in this respect.

18. Be provided with an update report on the progress of implementing the above recommendations by no later than 1 May 2006 and at that time, review options for the future of Monarto Quarries (beyond the immediate period to the end of June 2006) as per the staged approach recommended by the consultants.
19. Provide confidential advice to the Monarto Quarries Board as soon as possible to:
 - express appreciation to all of the Board Members for the prompt and professional manner in which the Board has acted in initiating and supporting the directions proposed in the draft Business Plan;
 - express thanks to all of the Board Members for their contribution to Monarto Quarries; and
 - convey all of the resolutions from this meeting.
20. Request that the Chief Executive Officer, in consultation with the Quarry Manager, make arrangements to have all Monarto Quarries staff briefed as soon as possible in relation to the resolutions from this meeting.
21. Authorise the Quarry Manager to have a financial delegation of \$50,000 for matters within the approved Monarto Quarries budget.
22. Authorise the following Council officers to be signatories for the Monarto Quarries cheque account:
 - Mr Atis Berzins
 - Mr Brian Clancey
 - Ms Narelle Jeffery
 - Mr Andrew Stuart

Seconded Councillor Haines and CARRIED.

Moved Councillor Haines:

That the Council orders pursuant to Section 91(7), (8) and (9) of the Local Government Act 1999 that the discussion, reports and attachments and minutes relating to this item be kept confidential until ~~6 March 2007. Council Mtg 4 Sept 06 extended to 6 Sept 07~~ released at 3 September 2007 meeting.

Seconded Councillor Rothe and CARRIED.